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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 01/28/09

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ARTICLES:

- (1) Destroyers to convoy commercial freighters: guidelines on anti-piracy measures

YOMIURI (Page 3) (Excerpts)
January 28, 2009

The government has set guidelines for the Maritime Self-Defense Force's (MSDF) mission to guard Japan-related vessels from possible attacks by pirates in waters off Somalia, Africa. But the dispatch plan under the existing law contains many problems, including a ban on guarding foreign freighters unrelated to Japan. The government will have to set the scope of anti-piracy operations by MSDF vessels.

Gunners onboard warning helicopters, but ban on protecting foreign ships left as problem

Escort of fleet

A senior MSDF member said: "I believe that the mission to be assigned to us is not to fight pirates but to prevent possible attacks by pirates and ensure the safe navigation of Japan-related ships."

The government has decided through consultations with the Japanese Shipowners' Association (chaired by Kawasaki Kisen Kaisha President Hiroyuki Maekawa) to have two MSDF destroyers guard a fleet of commercial freighters in front and behind.

But merchant vessels have never been convoyed. There are few Japanese-registered ships and few ships taking Japanese crew members on board. In addition, most are ships owned by subsidiaries of Japanese companies, with Philippine and Malaysian crewmen on board, so cooperation through radio communications might be difficult in times of emergency.

Warning shots

In the convoy mission, helicopters will play the main role. Machineguns will be taken in helicopters, and special security guards will go on board. If they spot a suspicious ship considered to be a pirate ship, they will warn the ship not to approach the fleet by international radio.

A senior MSDF member said: "If the unidentified ship does not come

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closer, the MSDF will ignore the ship and continue escorting the fleet. But if the ship ignores the warning, the MSDF will then need to fire warning shots at a considerably early stage."

Pirates are armed with automatic rifles and other weapons. Since their rockets have a range of over 1,000 meters, it is imperative to keep suspicious ships more than one nautical mile away from the fleet. The MSDF intends to use machineguns in helicopters and the main guns of escort ships in firing warning shots, but short-distance firing could damage nearby warships. A senior MSDF member said: "When the distance between a fleet and an unidentified boat is narrowed to 2,000 to 3,000 meters, firing warning shots will be necessary." When suspicious boats that were identified later as North Korean spy boats were spotted in Japanese territorial waters off the Noto Peninsula 10 years ago, a Japan Coast Guard patrol ship fired warning shots from a distance of 3,000 meters.

Limits under existing law

Japanese and other countries' vessels approach fleets escorted by French and other countries' warships and pass through the Gulf of Aden off Somalia to ensure safety. If the MSDF starts anti-piracy operations, foreign commercial freighters will likely to navigate around Japanese escorts.

Under Article 82 of the Self-Defense Forces Law, the legal grounds for dispatching the MSDF to Somalia, the MSDF is allowed to guard only (1) ships with Japanese registry; (2) foreign ships operated by Japanese shipping companies; and (3) foreign ships carrying cargoes bound for Japan. The Japanese Shipowners' Association is required to let the Defense Ministry know which ships will be protected through the Land, Infrastructure, Transport and Tourism Ministry. If the MSDF finds a ship that is outside the reach of their protection being attacked by pirates, the MSDF will urgently fly a helicopter to inform other countries' navies and ask for their help.

Under the existing law, protecting foreign ships is impossible. But the senior MSDF official said: "This is what we can do under the existing law. We want the government to explain to the people what the MSDF can do and what it cannot do."

The official said: "In the past war, the Japanese Navy was unable to protect Japan's convoy of transport ships. At that time, we lost the shipping industry's confidence. We must restore the lost confidence

of the industry."

(2) Editorial: Shore security policing just for this time only

MAINICHI (Page 5) (Full)
January 28, 2009

In order to protect Japanese tankers and other commercial ships from pirates, the government has decided to send the Maritime Self-Defense Force to waters off the coast of Somalia by invoking an action for maritime security operations under the Self-Defense Forces Law. Defense Minister Yasukazu Hamada will shortly direct the MSDF to prepare for deployment to Somalia waters. The government and the ruling parties are expected to present a bill to the Diet in March to create a new law for the SDF's antipiracy deployment overseas. The action is a 'stopgap' measure to be taken until then.

Primarily, antipiracy action, which is a sort of policing, is a task

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to be assigned to the Japan Coast Guard. . However, MSDF deployment is an effective measure, given that the JCG can hardly cope with pirates because they are heavily armed with weapons like rockets.

SDF Law Article 82, which provides for maritime policing, does not specify any geographical limitations. Under the law, however, the MSDF is expected to act in Japanese waters. Moreover, the government will dispatch MSDF vessels not for an actual incident but for the purpose of escorting civilian ships as a preventive measure against pirate attacks. It was probably outside the scope of the government's anticipation.

There is no doubt that the SDF's escort of Japan-linked merchant ships will have deterrent effects on pirates. That is, however, one thing. The government is going to send the SDF for maritime policing overseas, and whether this is an appropriate action is another thing. If the SDF's overseas deployment is intended for antipiracy measures, a new law should be established through Diet deliberations. The SDF's deployment for maritime policing should be a special measure just for this time only. It must not become a precedent for the SDF's arbitrary overseas deployment in the future.

The government and the ruling parties have discussed the SDF's deployment for maritime policing, and the biggest issue was what to do about guidelines for the SDF to use weapons or the so-called rules of engagement (ROE). Maritime policing is equivalent to an action that is allowed under another law that governs police officers in the line of duty. Accordingly, the SDF is allowed to use weapons only for self-defense or emergency evacuation. The SDF may have to fire on a criminal's ship to halt it. The SDF's use of weapons in this case, however, is allowed only in Japan's territorial waters. In the government's discussions, the Cabinet Secretariat maintained that there are also cases where the SDF is not only allowed to fire warning shots in order to halt a scuttling ship but is also allowed to fire on that ship. The Defense Ministry was against this assertion. The Defense Ministry probably wants the government to devise clear-cut guidelines for the SDF's use of weapons under a new law. In the end, the government, including the Defense Ministry, will define the SDF's use of weapons in the ROE, which will not be made public.

We take it for granted that guidelines for the use of weapons should be determined through Diet deliberations. The government has now decided to invoke an action for maritime policing. As a result, it may safely be said that the decision will leave room for the government and the commanding officer to expand the guidelines substantially at their discretion.

There is another problem. In its maritime policing activities, the SDF is not allowed to escort or help foreign ships. The government will now invoke a maritime policing action while being saddled with these problems. Meanwhile, China has dispatched a naval fleet to Somalia waters. In addition, South Korea is planning to send naval vessels there. The government, probably with these moves in mind, made such a snap political decision to send MSDF vessels before

clearing up the problems.

The government and the ruling parties will only make a report to the Diet about the SDF's deployment after issuing an order to the SDF. However, the Diet should at least deliberate on the reported deployment. They should consider an even deeper role for the Diet.

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Antipiracy measures are not only in the military area. The government should study comprehensive measures in consideration of such moves as containing pirates in the Straits of Malacca and providing international assistance to Somalia that has been in a state of anarchy due to a civil war. We hope that the Diet will hold full-fledged deliberations on legislative measures, including a new law.

(3) Anti-Aso forces suffering setback; Will fourth political party be formed?

YOMIURI (Page 4) (Full)
January 27, 2007

With an eye on the political situation before or after the next general election for the House of Representatives, Koichi Kato and Hidenao Nakagawa, former secretaries general of the ruling Liberal Democratic Party (LDP) who intend to realign political parties, appear to be considering forming a fourth political party, following the LDP, the main opposition Democratic Party of Japan (DPJ) and the LDP's coalition partner New Komeito. In the LDP, however, there is no move to link rebels to a new party. Kato and Nakagawa are now being forced to sit on the fence.

When asked by reporters about the defeat of the candidate for whom he had offered full support in Sunday's Yamagata gubernatorial election, Kato said in the Diet building: "At the final stage (of the campaign), the DPJ took up issues to be dealt with by national politics. There might have been the unpopularity of the (Aso) administration and the LDP as factors."

Kato, who has stated that the LDP has "completed its historical mission," is looking into launching a study group on "correcting excessive market fundamentalism," with the formation of a new party ahead of the snap election on the horizon. On his website, as well, Kato expressed his determination that this year is a time to take the initiative. He seems to be aiming at wiping out the stain of the failure in the so-call "Kato rebellion," in which he tried to topple the cabinet of then Prime Minister Yoshiro Mori.

However, it appears that he has not been able to pull together like-minded persons. Lower House member Kenichi Mizuno said: "There is a possibility of underlying discontent building up like magma in the LDP" over Prime Minister Aso's management of his administration. However, the dominant view in the LDP is that there is a prevailing mood of prioritizing the passage of the fiscal 2009 budget bill. Therefore, moves openly calling for Aso's resignation have not come to the surface. When Taku Yamasaki, a former LDP vice president and a longtime ally of Kato, mentioned cooperation with DPJ Deputy President Naoto Kan in realigning political parties, he met strong reactions from his supporters. He was then forced to change his policy to political realignment focused on the LDP and New Komeito. So, it is uncertain whether he will participate in Kato's study group.

Kato is confident in what he is doing, saying: "When the election comes closer, the wave will become larger." He intends to make an approach to lawmakers who acted in concert with him in the former Kato faction. He will likely put off inaugurating the study group.

Nakagawa is believed to aim at embroiling the DPJ in political

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realignment. He has formed four study groups on such issues as the environment and nursing-care services. He reportedly has held

meetings with junior Machimura faction lawmakers. As the faction has strengthened pressure, a senior faction member clearly said: "There is no member who will follow him."

(4) Market-fundamentalism-is-almighty theory is a mistake

MAINICHI (Page 11) (Full)
January 27, 2009

Iwao Nakatani: Executive Director of Mitsubishi UFJ Research and Consulting

-- The world is facing the financial crisis and the economic recession.

"Global capitalism, which has ruled the world over the past 20-30 years, has exposed its defects. Speculative funds for border-crossing investments will flood lucrative markets, but investors will pull out of markets, once they determine that the markets are no longer profitable, causing a sudden change in the economies of countries and areas. It is symbolical that Iceland has plunged into a crisis of the state going bankrupt. The outflow of investment funds has devastated the nation to an extent of its finding it difficult to hold its own. Unless there is a new mechanism for controlling global capitalism, the global economic turmoil will not end. It is necessary to have a pluralistic system so that each country can control speculative money."

-- Mr. Nakatani, you once spearheaded global capitalism, didn't you?

"I was at one point fascinated by the rationality and simplicity of the principles of the U.S.-style neoliberalism. I made an appeal on economic revitalization through deregulation and market opening, as I had an illusion that it would be possible to manage the economy and economic policies with the principles of neoliberalism alone. However, I have changed my mind, wondering whether it is possible to settle everything with rationalism alone."

"Structural reforms carried out by the government have produced some results. However, this policy had major side-effects. For example, it has created social disparity and turned Japanese society into a poverty-stricken society second to the U.S. Japan has never been placed in a situation in which the number of people whose annual income is less than 2 million yen exceeds 10 million. If social stability is destroyed, its economy will not grow."

-- What course do you think Japan should follow?

If we leave everything up to the market to work out, it will become impossible to hold our society together with individuals becoming isolated (as can be seen in the recent employment uncertainty). It is necessary to improve social security and remove public anxieties even at the cost of shifting away from the small government policy and raising the consumption tax substantially. The government should draw upon the cases of Scandinavian countries, where the public financial burden is heavy, but international competitiveness is being maintained."

-- Do you think it is necessary to have a growth scenario as well?"

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"The Japanese spirit of valuing coexistence with nature is its forte in the age when importance is attached to the environment. Japan should aim at becoming an environment-oriented country that leads the world in an overwhelming way. The government should tackle such a goal with an unwavering resolve, by, for instance, using all revenues from the provisional tax for an environmental policy. The government should consider disapproving investment by companies and investment funds, if the government finds that the investment would lead to a serious disruption of the environment. If such a way of thinking is put into practice, the highest level of researchers and engineers in the world would come to Japan, and new technical innovation would occur."

Iwao Nakatani: Macroeconomist. Spearheaded the economic structural reform policy line, by serving as acting chairman of the Council on Economic Strategy during the Obuchi administration. Published a book titled "Why Has Capitalism Disintegrated?," "repenting" his inclination toward market fundamentalism.

ZUMWALT